

**Saint Paul Planning Commission
City Hall Conference Center
15 Kellogg Boulevard West**

Minutes February 23, 2018

A meeting of the Planning Commission of the City of Saint Paul was held Friday, February 23, 2018 at 8:30 a.m. in the Conference Center of City Hall.

Commissioners Present: Mmes. DeJoy, Reveal, Thao, Underwood; and Messrs. Baker, Edgerton, Fredson, Lindeke, Ochs, Perryman, Risberg, Vang and Wojchik.

Commissioners Absent: Mmes. *Anderson, *Eckman, *Lee, *Mouacheupao, and Messrs. *Khaled, *Oliver, *Rangel Morales, and *Reich.

*Excused

Also Present: Donna Drummond, Planning Director; Bill Dermody, Kady Dadlez, Jamie Radel, Lucy Thompson, Mike Richardson, and Sonja Butler, Department of Planning and Economic Development staff.

I. Approval of minutes January 12th and January 26, 2018.

MOTION: *Commissioner Underwood moved approval of the minutes of January 12, 2018. Commissioner Thao seconded the motion. The motion carried unanimously on a voice vote.*

and

MOTION: *Commissioner Fredson moved approval of the minutes of January 26, 2018. Commissioner DeJoy seconded the motion. The motion carried unanimously on a voice vote.*

II. Chair's Announcements

Chair Reveal had no announcements.

III. Planning Director's Announcements

Donna Drummond announced that at the next meeting the commissioners will have a new group photo taken, as the current photo on the web page is out dated. The Planning Commission has a lot of new members. Proposals for purchase of the Ford site are due today to Ford's broker CBRE. We will be learning more in the next few months who the master developer might be. Ford has said that it will take several months to negotiate a purchase agreement. The City Council approved a resolution asking the Planning Commission to study allowing Accessory Dwelling Units in several neighborhoods in the city. It started out as a request from the Mounds Park neighborhood and a number of other district councils asked to be included in that study. The Comprehensive and Neighborhood Planning Committee discussed this at their last meeting and

their report on that will be on the next Planning Commission agenda. Also, we are making progress on the Comprehensive Plan update and had a good meeting with Mayor Carter and the Deputy Mayor to discuss the plan's draft themes and recommendations, many of which are supportive of the Mayor's priorities.

Commissioner Lindeke said that he heard about a parking minimum study is that happening?

Ms. Drummond said that planning staff are starting to work on a general update of the City's parking standards and that is still in the beginning stages. We hope that study recommendations will come forward sometime this year.

Chair Reveal said as they finish up the Comprehensive Plan to be mindful of what kind of statement they are or are not making about tear down of residential property in favor of surface parking.

Commissioner Lindeke thinks there had been a discussion about parking minimums or looking at them for a different context and that is what he thought they were going to look at as a policy matter.

IV. Zoning Committee

SITE PLAN REVIEW – List of current applications. *(Tia Anderson, 651/266-9086)*

One item came before the Site Plan Review Committee on Tuesday, February 20, 2018:

- Lillydale Regional Park – Grading and stabilization at 770 West Water Street. Alice Messer-Parks & Recreation SPR# 18-026961

One item to come before the Site Plan Review Committee on Tuesday, February 27, 2018:

- MN United Soccer Stadium – Review updated plans for Ordinance Permit Submission at 400 North Snelling Avenue. Nate Pearson-Tegra Group SPR #16-042321

NEW BUSINESS

#18-024-542 Jewish Community Center – Conditional use permit for community center expansion. 1375 St. Paul Avenue between Davern and Edgcumbe. *(Kady Dadlez, 651/266-6619)*

MOTION: *Commissioner Edgerton moved the Zoning Committee's recommendation to approve the conditional use permit subject to an additional condition. The motion carried unanimously on a voice vote.*

#18-024-461 KTJ 298 LLCU – Rezone from R3 One-Family Residential to RM2 Multiple Family Residential. 1891 Norfolk Avenue (between Prior and Sue) and 1413 Sue Street (SW corner at Graham). *(Kady Dadlez, 651/266-6619)*

MOTION: *Commissioner Edgerton moved the Zoning Committee's recommendation to approve the rezoning. The motion carried unanimously on a voice vote.*

#18-024-674 Danmark LLC – Reestablishment of Nonconforming Use as a 4-Family Dwelling. 780-784 Agate Street, SE corner at Sycamore. (Jamie Radel, 651/266-6614)

MOTION: *Commissioner Edgerton moved the Zoning Committee’s recommendation to approve the reestablishment of legal nonconforming use subject to an additional condition. The motion carried unanimously on a voice vote.*

#18-024-155 2103 Wabash – Conditional use permit for a Mixed Residential/Commercial Use with more than 6 dwelling units (64 proposed), with modification to allow Residential Use of the first floor (39 units proposed). 2103 Wabash Avenue, NE corner at Montgomery Street. (Bill Dermody, 651/266-6617)

Commissioner Ochs expressed interest in making a friendly amendment to reduce the amount of residential from 90% residential on the first floor to something less. He said that in most of our TOD areas we’d like to see more businesses located on the first floor and have a better presence on the street, so maybe we can adjust that percentage to allow more businesses to be located on the first floor in this case.

Chair Reveal said that is addressed in the upcoming variance item for this site, where we denied a variance request to have it 90/10. The variance accompanied the rezoning. If it stays the current zoning they could go 50/50 on the first floor, which was our preference.

Bill Dermody said that what Chair Reveal just said is incorrect. The IT zoning district allows 50/50. For the conditional use permit under I2 zoning, they are requesting a modification that would allow it to be 90% residential on the first floor.

Chair Reveal said our intent in the discussion on the last variance was to indicate that we were not comfortable with 90/10.

Commissioner Thao asked what happens if we approve or deny all three, would one contradict another? She understands there are two options here.

Chair Reveal said that there are two options and we could deny both, which would mean the project does not go forward.

Commissioner Ochs said that his question was not answered.

Commissioner Edgerton said ultimately we voted to approve the conditional use permit, layover the rezoning, and deny the variance. In the last week, staff realized that the findings needed to be made more consistent between the cases, which is reflected in the revised variance resolution before you on the upcoming item. There is still one variance finding that is not met, which allows denial of the variance.

Chair Reveal said that the zoning and the variance go together. And we think the 90% residential on the first floor is too much and we want more commercial on the first floor. It does approve 90% in this action but we are encouraging the developer to reconsider their actual project.

Commissioner Ochs said if we move ahead with approving the conditional use permit then the developer may develop up to 90%.

Commissioner Edgerton replied correct.

Commissioner Ochs said that is his concern.

Commissioner Ochs moved to amend the conditional use permit resolution to include an additional condition of 70% residential and 30% nonresidential on the first floor. Commissioner Lindeke seconded the motion.

Commissioner Baker was not in favor of this motion because he thinks it would change the financials, but we could encourage the developers to make certain actions.

Commissioner Underwood asked about the mention in the item that at least 80% of the first floor shall be devoted to non-residential uses.

Donna Drummond, Planning Director, clarified that the applicant is seeking to modify the requirement that 80% of the first floor be devoted to non-residential uses – instead they propose 10%.

Commissioner Underwood said that is not clear, she would have thought that she was voting in favor of 80% non-residential.

Commissioner Thao said the residential doesn't preclude maker space that could still be space that residents who are artists could do their work.

Ms. Drummond added that they could provide more of the space as maker space if that worked out and made sense.

Chair Reveal said that was one of the reasons we preferred the conditional use permit route to the rezoning route because the rezoning brought up so many other complications.

Commissioner Lindeke said this reminds him of the development on St. Clair and Snelling a while ago, where we were wrestling over the definition of mixed use. He believes in that case the first floor had a tiny fraction dedicated to a coffee shop, but was mainly residential. This is a similar situation. Also, the financials shouldn't be something that we consider. Often you'll see in a condition that purely economic matters are not something we should take into account.

Commissioner Baker said one of the reasons that we are moving forward on this is that the building has been vacant for 40 years, which is an economic issue.

Ms. Drummond doesn't believe that the zoning code precludes considering economic considerations as part of the Commission's decision. There are all sorts of things that can be considered as part of hearing testimony and considering the individual case. There is some language in variance findings about not being solely based on economic considerations, but this is not a variance case.

Chair Reveal said in fairness we have not asked for a review of financials and the principle here is simple. Somebody is offering a project that will make viable a building that has been vacant for 40 years and it is tough to make perfectly viable given all of the complexity and conflicting language in the various zoning codes, variances and zoning rules. That is the dilemma here.

Commissioner Risberg asked if the developer responded to encouragement that they go higher than the 10% nonresidential.

Commissioner Edgerton replied no, not that he is aware of.

Commissioner Ochs said that his motion is to ensure that they think of land use more than we think about economics. If it was economics then they should make the changes to the property and move it from industrial but we can't always be burdened with financials in a land use discussion.

Commissioner Perryman said that the parking lot will still be there, so there will be semi-trucks backed up to this space.

Mr. Dermody said that the parking lot to the east of them is not part of this project. That is one where the tenant is moving out and so we anticipate that being redeveloped with I2 uses of some kind.

Commissioner Edgerton added that the space to the east of the parking lot with the trucks is owned by folks across the street and their goal is to expand in the area.

Chair Reveal noted that's one of the reasons they added a condition on pedestrian and bicycle safety. So that any of those intersections with property that had large trucks would be dealt with in some appropriate way on this project.

Commissioner Fredson said that he is with Commissioner Ochs in spirit but he does not feel comfortable making a change now to what we decided at Zoning Committee because this project appears to be on a fast track and he does not know what the outcome would be to the timeline of the project.

FRIENDLY AMENDMENT: Commissioner Ochs moved to amend the conditional use permit recommendation to include an additional condition of 70% residential and 30% nonresidential. The motion failed 2-11 (Baker, DeJoy, Edgerton, Fredson, Lindeke, Perryman, Reveal, Risberg, Thao, Underwood, Wojchik) on a voice vote.

Commissioner Vang said that as much as he wants to approve this, his concern is that we are making small exceptions here and there. We have policies for a reason. Maybe this is the bigger picture we should consider, whether to make a zoning change in this area. Maybe we should pause this conditional use permit conversation and then have that bigger conversation before approving this exception.

Chair Reveal thinks that is where they were on the rezoning case. That we think it needs a broader discussion about the area. But we did not think this project should be delayed in order for us to complete the discussion.

MAIN MOTION: *Commissioner Edgerton moved the Zoning Committee's recommendation to approve the conditional use permit subject to an additional condition. The motion carried 11-2 (Ochs, Vang) on a voice vote.*

#18-023-089 2103 Wabash – Rezone from I2 General Industrial to IT Transitional Industrial. 2103 Wabash Avenue, NE corner at Montgomery Street. (Bill Dermody, 651/266-6617)

Commissioner Edgerton announced that this case has been laid over to the March 1, 2018 Zoning Committee meeting.

Commissioner Lindeke spoke in support of Commissioner Vang's comment earlier on the conditional use permit. It is important to think about things not on a case-by-case basis for access and equity reasons, but to think more broadly about policy as a whole and how it can be transparent for people who maybe do not know what is going on behind the scenes and can look at policies we have and say that is what Saint Paul is recommending.

Chair Reveal added that they got considerable input from the city attorney, Peter Warner during the discussion.

Commissioner Baker asked whether we need to make a motion on having a broader discussion, per Commissioner Vang's comments.

Donna Drummond, Planning Director, said that they traditionally have listened to discussion at the commission and taken that into consideration in determining the planning work program.

#18-024-315 2103 Wabash – Variance to allow residential use of 90% of the first floor (50% maximum allowed in IT District). 2103 Wabash Avenue, NE corner at Montgomery Street. (Bill Dermody, 651/266-6617)

MOTION: *Commissioner Edgerton moved the Zoning Committee's recommendation to deny the variance. The motion carried unanimously on a voice vote.*

Commissioner Underwood said that this is yet another disappointing vote in favor of positive development, but a lot of us continue to be very frustrated that this idea of mixed use does not actually have ceilings and floors for percentages of each use. We are not establishing robust mixed use in these votes. This development is a great idea and again she will be very disappointed that there won't be enough commercial on the first floor and that she participated in that. She continues to ask the City to have a policy that really helps improve this mixed use.

Chair Reveal agrees and said that they have asked in the past, that they specifically address guidelines for defining mixed use in the same way they did guidelines for conversion.

Ms. Drummond added that the zoning code does have a floor and ceiling for amount of each use, which the Commission voted to modify in the conditional use permit case. It's in the T District where it is not clear what mixed use should be and that is one of the things we will be looking at in upcoming studies.

Commissioner Edgerton was convinced based on what he heard from the Midway Chamber, the District Council, and the Port Authority. The past 40 years indicates that it is a really difficult site that we aspire to be true industrial, but the market doesn't support it at this point. We're preserving that as an option and hopefully revitalizing the area overall, which will allow other industrial or new types of industrial to grow up around it.

Commissioner Lindeke said we need to rethink some of what industrial means and look at the broader zoning. The point of having industrial is to create jobs and tax base, but self-storage facilities have one or two jobs total and vacant buildings have none. So preserving industrial in a case where there is a possibility of it being an industrial use is good, but if there is no possibility then rethinking that is the direction we should move, not just here but maybe a few other spots that have historic industrial properties.

Chair Reveal said clearly we want to have a lot more discussion on this, and she thinks that this could be one of our policy forum topics.

Commissioner Edgerton announced the items on the agenda at the next Zoning Committee meeting on Tuesday, March 1, 2018.

V. Comprehensive and Neighborhood Planning Committee

Southport Industrial District Study – Approve resolution recommending to the Mayor and City Council for adoption. (*Kady Dadlez, 651/266-6619*)

MOTION: Commissioner Thao moved on behalf of the Comprehensive and Neighborhood Planning Committee to approve the resolution recommending the Southport Industrial District Study be adopted by the Mayor and City Council. The motion carried unanimously on a voice vote.

Union Park Community Plan - Approve resolution and forward to the Mayor and City Council for adoption of this amendment to the Union Park Community Plan. (*Kady Dadlez, 651/266-6619*)

Commissioner Lindeke stated that he is voting against this, because he feels it is in conflict with some of the Comprehensive Plan goals of increasing density in mixed use activity along transit corridors and the 21 bus (Selby/Lake) would count in his opinion as being a transit corridor.

MOTION: Commissioner Thao moved on behalf of the Comprehensive and Neighborhood Planning Committee to recommend approval of the resolution and forward to the Mayor and City Council for adoption of this amendment to the Union Park Community Plan. The motion carried 11-2 (Lindeke, Ochs) on a voice vote.

Commissioner Thao announced that at their last meeting they talked about a few items; they approved the zoning study to amend the locational standard of accessory dwelling units, they approved the Union Park Community Plan and also looked at the text amendments to Chapter 64 Signs recommending an initiation of a zoning study for that. The next Comprehensive and Neighborhood Planning Committee meeting is on Wednesday, March 7, 2018.

2040 Comprehensive Plan – How economic development and resiliency are reflected in draft goals and policies. (*Lucy Thompson, 651/266-6578*)

Lucy Thompson, PED staff said that they are addressing the HRA next Wednesday, February 28, 2018 at 2:00 p.m. on the Housing Chapter and Land Use Chapters and how they address affordable housing.

Chair Reveal announced that this presentation will be moved to the next Planning Commission meeting for lack of time.

VI. Transportation Committee

Commissioner Lindeke announced that at their last meeting and they heard from City staff about Ramsey County's mill and overlay projects. The City is going ask the County to add bike lanes on Lexington Parkway between where the Trader Joe's is and the Ayd Mill Road bridge up to about St. Clair and Jefferson, extending existing bike lanes north. The other one is on Prosperity Avenue on the east side connecting up to the City's border. Commissioner Lindeke announced the items on the agenda at the next meeting on Monday, February 26, 2018.

VII. Communications Committee

Commissioner Underwood had no announcements.

VIII. Task Force/Liaison Reports

Commissioner Edgerton announced that the Rice/Larpenteur Advisory Task Force has finished meeting.

Donna Drummond, Planning Director, added that at the next Planning Commission meeting on March 9th John Slack from Perkins and Will, which worked on the plan with the task force, will be presenting the recommendations for that.

Commissioner Baker wanted to acknowledge and express his appreciation of Bill Dermody's ability to navigate the zoning code, and think on the fly. He also appreciates staff because they did a lot of great work.

IX. Old Business

None.

X. New Business

None.

XII. Adjournment

Meeting adjourned at 9:45 a.m.

Recorded and prepared by
Sonja Butler, Planning Commission Secretary
Planning and Economic Development Department,
City of Saint Paul

Respectfully submitted,

Approved _____
(Date)

Donna Drummond
Planning Director

Luis Rangel Morales
Secretary of the Planning Commission

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